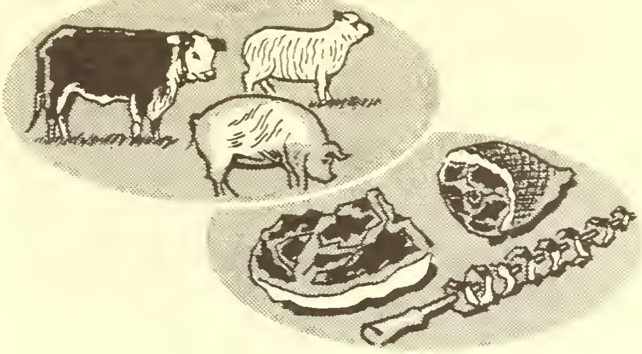
LIVESTOCK and MEAT SITUATION



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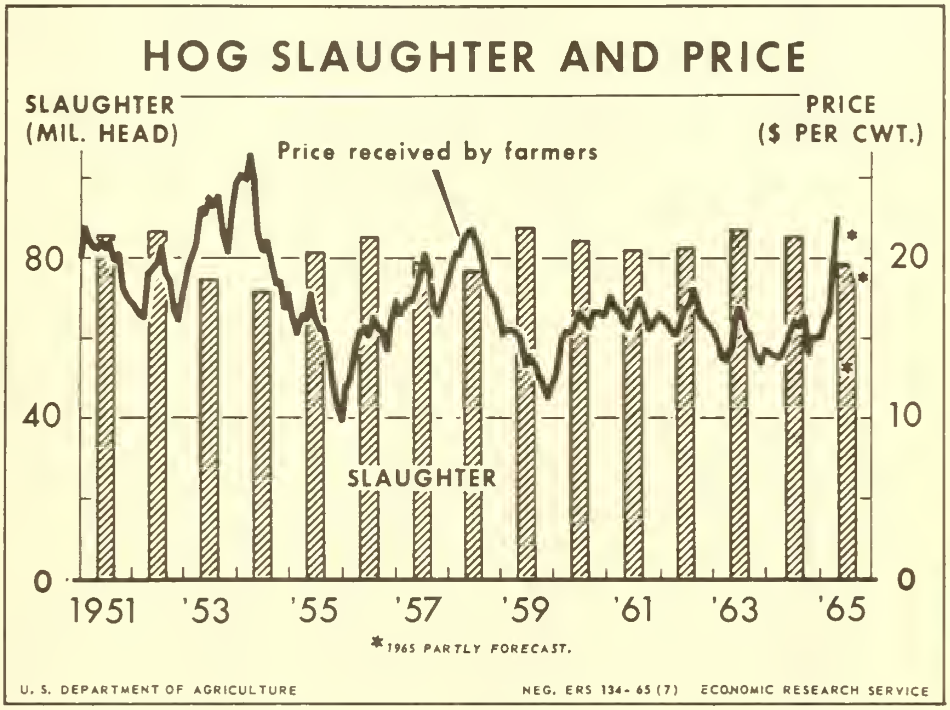

Hog slaughter through midyear af down about 9 percent from a year earlier, and is expected to be down this much or a little more through the end of the year. Such a reduction would drop 1965 slaughter to the lowest level since 1958.

Prices received by farmers for hogs so far in 1965 have responded sharply to the reductions in slaughter supplies. Prices received were higher each month than a year earlier and in June were highest for the month since 1953. Second half 1965 prices are expected to remain well above year-earlier levels.

IN THIS ISSUE

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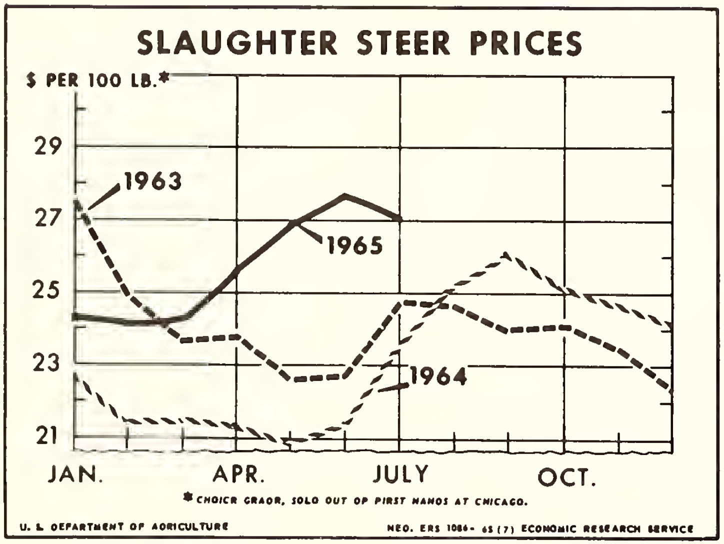
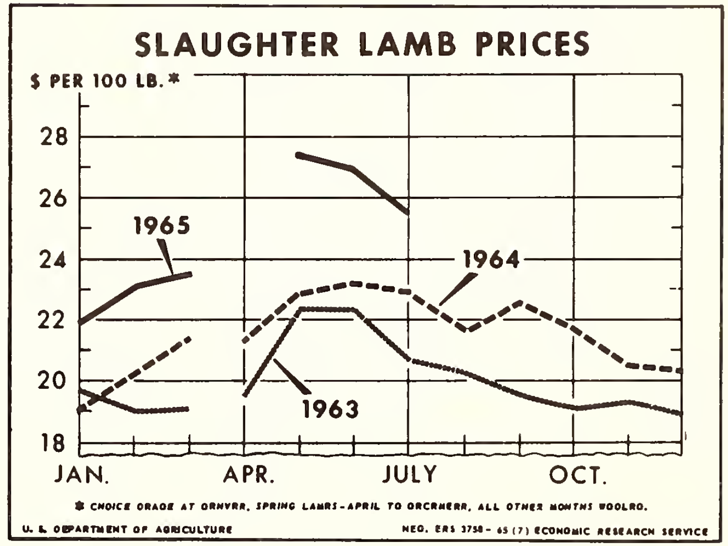
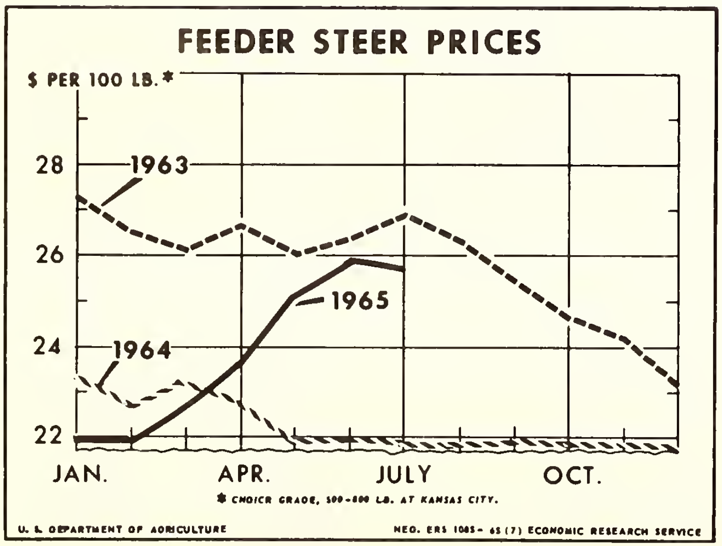
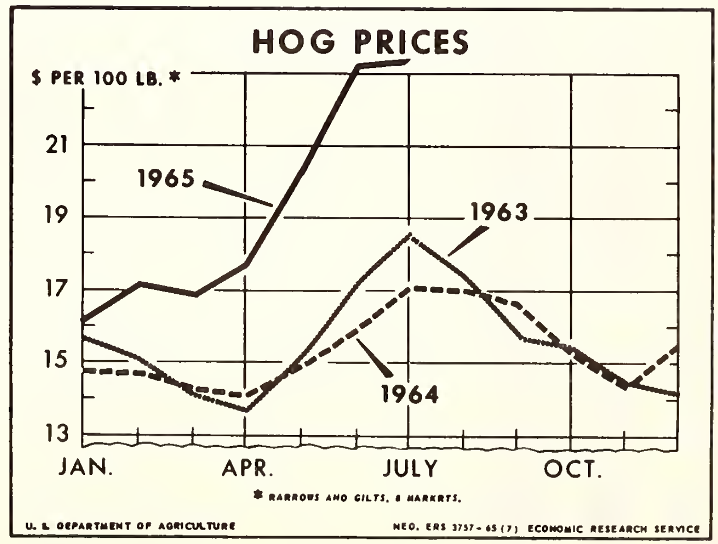




July is a 2-week average.





LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, July 23, 1965

CONTENTS

SUMMARY

Meat production is down this year, and livestock prices are substantially above 1964 levels. Red meat production is expected to total $2\frac{1}{2}$ to 3 percent below the 32.7 billion pounds in 1964. Per capita consumption of all red meats likely will average around 168-169 pounds, down 6-7 pounds from the record level in 1964. Little change is indicated for beef, but pork consumption probably will be down at least 6 pounds from the 65 pounds per capita last year. This reduction, together with the continued advance in the demand for meat, has resulted in sharply higher prices for livestock in recent months.

Fed cattle marketings in April-June dropped 2 percent below those in the same months of 1964, the first decline from year-earlier levels since the first quarter of 1958. Also, rising incomes and continued growth in population expanded the market for beef, and fed cattle prices rose sharply. Choice steers at Chicago averaged $24.20 per 100 pounds in January-March, but rose to $27.68 in June.

There were 7.5 million head of cattle on feed July 1, up 9 percent from a year earlier. Most of the increase was in the lighter weight groups. There were 15 percent more cattle on feed weighing less than 900 pounds, but 5 percent fewer weighing over 900 pounds.

Feeders will market 6 percent more cattle in the third quarter than a year earlier, if their July 1 intentions are carried out. These cattle likely will continue to move to market at light weights. Fed beef production is expected to be above year-earlier levels, and larger production gains may develop later in the year. Prices likely will decline from early July levels during the second half of the year, but they are expected to average well above year-earlier levels.

Cow slaughter has been up 28 percent so far this year. However, slaughter likely will drop below year-earlier levels sometime before the end of the year in response to improved range conditions, higher calf prices, and a favorable outlook for fed cattle prices.

Hog slaughter was well below year-earlier levels this past winter and spring and will continue at a reduced level for the rest of the year and into early 1966. The December-May pig crop was down 10 percent from a year earlier, and producers in June reported intentions to have 7 percent fewer sows farrow in June-November than in the year-earlier period.

Hog prices responded to smaller supplies and rose sharply in the second quarter, averaging $20.43 per 100 pounds (barrows and gilts at 8 markets), $6 above the April-June 1964 level. During the third quarter, prices of barrows and gilts likely will average around current levels--$24.47 in the first 2 weeks in July. Although prices will decline this fall as supplies increase seasonally, they will be up considerably from last year.

Sheep and lamb slaughter was down from a year earlier during the first half of this year and is expected to stay below this summer and fall. Lamb prices averaged $26.98 per 100 pounds in June (Choice lambs, Denver), $3.80 above a year earlier. Prices likely will continue substantially above year-earlier averages through the end of the year.

The reduction in the sheep and lamb inventory likely will be slowed this year. If sheep producers hold back ewe lambs during the second half of the year as they evidently did during January-June, the January 1, 1966, inventory likely will be only slightly smaller than a year earlier.

CATTLE

Cattle slaughter this summer and fall will be affected by conditions considerably different from a year ago. Range conditions last year were below average in many areas and cattle moved off grass early during the summer and fall months. Many of these animals, especially cows, went to slaughter because of low calf prices and poor grazing conditions.

Cattle slaughter continued at a high level last winter, with all classes showing sizable increases over the same months a year earlier. However, cattle feeders, having suffered heavy losses in 1964, slowed their feeding operations during the winter and spring, and fed cattle marketings in the second quarter of 1965 dropped 2 percent below a year earlier. This was the first time since 1958 that cattle feeders marketed fewer cattle out of feedlots than in the same quarter a year earlier. However, large numbers of cows continued to be slaughtered. Cow slaughter in April-June averaged about 29 percent above the same months of last year.

In contrast to 1964, cattle slaughter this fall and winter will reflect the effects of better grazing conditions and higher calf prices. Grazing is good nearly everywhere except in the Northeast. Calf prices increased this past spring and are maintaining their strength through the summer months in

Table 1.--Number of cattle and calves slaughtered under Federal inspection, by class, United States, by months, 1964 to date

Month	Steers		Heifers		Cows		Calves	
	1964	1965	1964	1965	1964	1965	1964	1965
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
January	1,147	1,198	427	442	421	500	412	404
February	1,023	1,080	364	401	308	415	342	384
March	1,128	1,247	409	496	323	454	400	473
April	1,241	1,116	428	455	354	420	379	411
May	1,327	1,134	379	439	341	439	321	340
June	1,373		424		386		338	
July	1,306		406		426		385	
August	1,198		425		474		384	
September	1,179		475		517		453	
October	1,205		507		616		514	
November	1,068		427		589		443	
December	1,199		458		568		449	
Total 1/	14,395		5,128		5,322		4,820	

1/ Computed from unrounded totals.

contrast to falling prices in 1964. Contracts for fall delivery of feeder cattle call for substantially higher prices than in 1964. This indicates that cattle feeders think the outlook has brightened somewhat. Therefore, liquidation probably will not be a factor in determining the volume of slaughter supplies in coming months. However, beef production, especially fed beef, is expected to hold above year-earlier levels through the end of the year.

Cattle on Feed Up, Summer Marketings Also Up

The number of cattle and calves on feed July 1 was 9 percent larger than on the same date a year earlier. Placements in April-June were up 24 percent while marketings were down 2 percent. All sections of the country showed sizable increases in placements, but the Western States made the largest gains, up 43 percent.

All of the increase in the number of cattle on feed July 1 was in the lighter weight groups. The number of cattle weighing less than 900 pounds was up 15 percent while those weighing 900 pounds and over were down 5 percent from a year earlier. The reduction in the number of heavyweight cattle on feed was not nearly as large as it had been 3 months earlier. This indicates that a large number of heavyweight animals were placed on feed during the spring months. These animals can reach slaughter weights after only limited feeding. Large placements of fleshy feeders in the spring quarter have probably reduced the supply of heavy feeder cattle for the remaining months of the year.

Table 2.--Number of cattle and calves on feed July 1, by regions, and percent change from previous year, 1960 to date

Year	North Central States			Texas and Okla-homa	Western States	Total 1/
	East North Central	West North Central	Total			
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1960	885	2,882	3,767	205	1,628	5,652
1961	928	3,035	3,963	229	1,575	5,822
Percent change from 1960	+4.9	+5.3	+5.2	+11.7	-3.3	
1962	878	3,028	3,906	262	1,854	6,135
Percent change from 1961	-5.4	-0.2	-1.4	+14.4	+17.7	
1963	1,034	3,437	4,471	330	1,979	6,882
Percent change from 1962	+17.8	+13.5	+14.5	+26.0	+6.7	
1964	947	3,435	4,382	364	1,987	6,914
Percent change from 1963	-8.4	-0.1	-2.0	+10.3	+0.4	
1965	982	3,639	4,621	439	2,261	7,531
Percent change from 1964	+3.7	+5.9	+5.5	+20.6	+13.8	

1/ 26 State total until 1961, then 28 States until 1964 then 32 States.

On July 1, cattle feeders reported intentions to market 6 percent more cattle in the third quarter than in July-September 1964. However, this would be only slightly more than in the second quarter of 1965.

Fed cattle prices this summer are likely to average slightly below early July levels ($27.00, Choice steers, Chicago), but will continue well above year-earlier levels, when fed steers averaged $24.93 during July-September. Prices during the fall months will depend largely on the number of cattle placed on feed this summer. If placements during July-September are about the same or a little less than a year earlier, prices this fall may decline only seasonally from summer levels, but likely will still average above the October-December 1964 average of $24.57. However, if placements this summer continue 10 percent or more above 1964 levels, fed cattle prices will be down from the third quarter and may average below year-earlier levels.

Corn Belt feeders stated intentions to market 4 percent more cattle during July-September than in these months of 1964, but West Coast feeders intended to market 7 percent more. This suggests that more beef likely will be shipped to eastern markets this summer and fall from cattle being marketed in the swing States, such as Colorado.

With larger marketings, prices on the West Coast will show more weakness than those in the Midwest. However, no sharp decline in West Coast prices is likely; fed cattle marketings were up 8 percent in these States in April-June without adversely affecting prices.

Fed Cattle Weights Stable; Margin Under 1964 Closing

Weights of fed cattle marketed have remained relatively stable in recent weeks. Since the decline in fed cattle weights took place during this period of 1964 and there is no increase in weights this year, the current and year-ago figures are in effect drawing together. As the weight margin narrows, changes in beef production from 1964 levels will more nearly approximate changes in the number of cattle slaughtered.

Live weights were heavy during 1963 and the first half of last year. About mid-1964, however, weights dropped and have continued lower since then. In March, Choice steers sold out of first hands at 7 Midwest markets averaged 51 pounds lighter than the same month of 1964. By June, the difference was 37 pounds, and a further narrowing took place in July. The recent change in grading specifications for beef likely will contribute to an orderly marketing pattern and help maintain market weights of fed cattle close to current levels. No increase in weights is in prospect because many lightweight cattle will be sent to slaughter if summer marketing intentions are attained.

Commercial cattle slaughter was 5.7 percent above 1964 levels during the first 5 months of this year. Beef production, however, was up only 1.0 percent due to lighter marketing weights of fed cattle. Also, cows and heifers made up a larger proportion of total slaughter. Changes in the number of head slaughtered during the rest of the year likely will be accompanied by similar changes in beef production.

Supply of Feeder Cattle Unchanged from 1964

The number of cattle available for feedlot replacements is much the same as it was this time last year. At the beginning of this year, there were 5 percent fewer steers 1 year old and over on farms than a year earlier. However, there were 2 percent more heifers 1 to 2 years old and 2 percent more calves, making up for the decline in steers. Steer and heifer slaughter so far in 1965 has not been large enough to reduce the supply of feeder cattle or small enough to expand the inventory. As a result, total supplies are relatively stable this year in contrast to other recent years, when supplies were increased.

The supply of feeder steers probably declined further in the first half of 1965. This reduction will be partly offset this fall, however, because cattle on grass are reportedly making good gains. The condition of cattle in the Western range States was 87 on July 1, 3 points above July 1964 and 2 points above average. Thus, grass cattle marketed this fall will be heavier than similar animals in 1964.

Cow-calf men probably will compete more vigorously with feedlot operators for the available supply of heifers this year, since breeding herds likely will be expanded this fall. In this event, a large number of heifers will move into breeding herds this fall rather than to feedlots.

Table 3.--Steer and heifer beef production under Federal inspection, United States, by month, 1963-65

Month	Steer beef production			Heifer beef production		
	1963	1964	1965	1963	1964	1965
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
January	678	774	788	214	249	246
February	591	701	704	196	210	221
March	662	768	804	222	234	269
April	710	840	713	214	242	244
May	782	888	732	227	211	237
June	732	910		199	235	
July	730	858		221	220	
August	737	766		230	229	
September	689	757		228	259	
October	748	782		279	280	
November	632	696		233	238	
December	660	786		242	256	

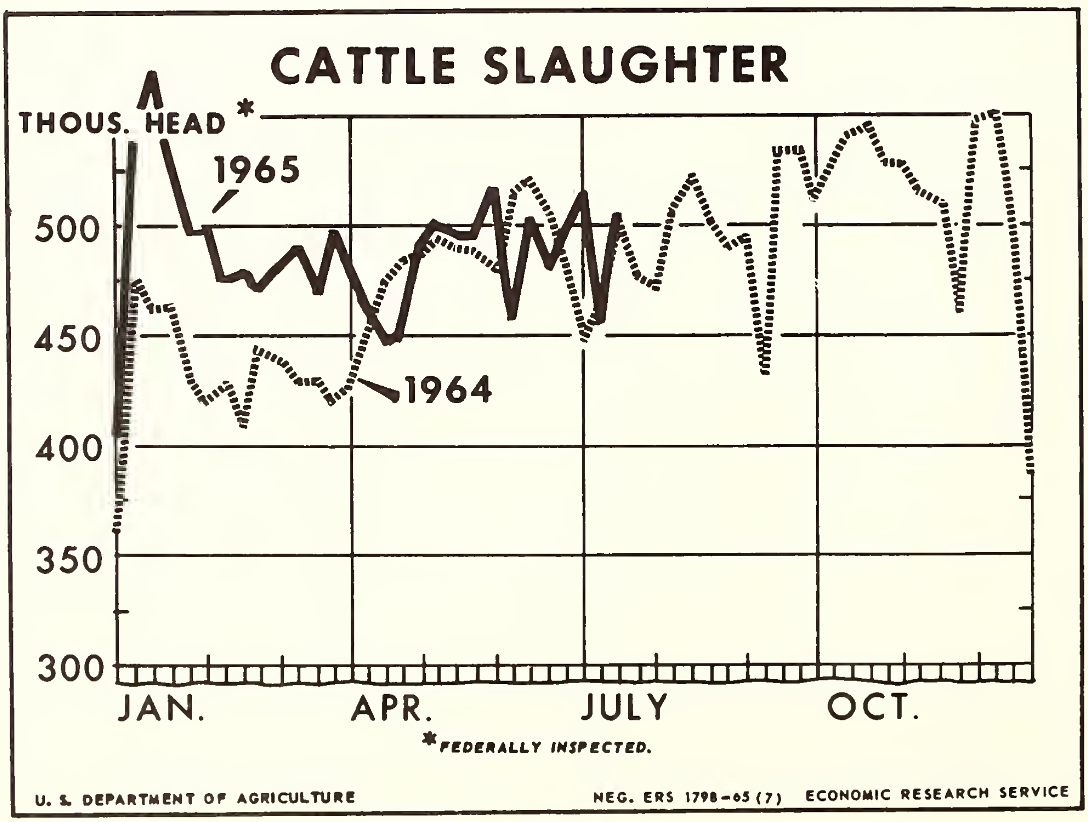


Table 4.--Average liveweight of steers sold out of first hands at 7 markets, by months, 1962 to date

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
PRIME													
1962	1,231	1,235	1,236	1,242	1,244	1,244	1,233	1,238	1,242	1,228	1,227	1,231	1,235
Change from 1961	-5	+1	-26	-18	-12	-7	-5	+1	+22	-13	-5	-7	-6
1963	1,230	1,249	1,238	1,269	1,250	1,257	1,273	1,253	1,261	1,238	1,249	1,234	1,250
Change from 1962	-1	+14	+2	+27	+6	+13	+40	+15	+19	+10	+22	+3	+15
1964	1,231	1,218	1,266	1,270	1,263	1,273	1,274	1,268	1,271	1,265	1,239	1,232	1,255
Change from 1963	+1	-31	+28	+1	+13	+16	+1	+15	+10	+27	-10	- 2	+5
1965	1,239	1,237	1,249	1,253	1,261	1,249							
Change from 1964	+8	+19	-17	-17	-2	-24							
CHOICE													
1962	1,157	1,157	1,156	1,159	1,161	1,155	1,134	1,112	1,102	1,108	1,123	1,142	1,139
Change from 1961	-16	-21	-29	-24	-25	-23	-41	-61	-52	-43	-23	-13	-31
1963	1,156	1,166	1,170	1,171	1,174	1,182	1,175	1,158	1,157	1,152	1,158	1,163	1,165
Change from 1962	-1	+9	+14	+12	+13	+27	+41	+46	+55	+44	+35	+21	+26
1964	1,182	1,187	1,193	1,184	1,172	1,167	1,150	1,129	1,121	1,125	1,136	1,148	1,159
Change from 1963	+26	+21	+23	+13	-2	-15	-25	-29	-36	-27	-22	-15	-6
1965	1,155	1,152	1,142	1,141	1,136	1,130							
Change from 1964	-27	-35	-51	-43	-36	-37							
GOOD													
1962	1,095	1,088	1,068	1,071	1,072	1,066	1,034	1,024	1,022	1,042	1,073	1,097	1,065
Change from 1961	-40	-27	-40	-28	-26	-40	-57	-40	-43	-31	-11	+2	-32
1963	1,110	1,104	1,097	1,094	1,093	1,097	1,078	1,067	1,058	1,067	1,085	1,106	1,090
Change from 1962	+15	+16	+29	+23	+21	+31	+44	+43	+36	+25	+12	+9	+25
1964	1,129	1,124	1,119	1,096	1,080	1,062	1,038	1,024	1,040	1,050	1,069	1,074	1,076
Change from 1963	+19	+20	+22	+2	-13	-35	-40	-43	-18	-17	-16	-32	-14
1965	1,085	1,062	1,046	1,044	1,043	1,034							
Change from 1964	-44	-62	-73	-52	-37	-28							
ALL GRADES													
1962	1,127	1,122	1,110	1,114	1,120	1,119	1,098	1,080	1,075	1,084	1,105	1,125	1,108
Change from 1961	-26	-24	-37	-26	-22	-28	-46	-55	-48	-43	-21	-6	-31
1963	1,135	1,141	1,139	1,142	1,146	1,157	1,147	1,133	1,132	1,132	1,139	1,148	1,141
Change from 1962	+8	+19	+29	+28	+26	+38	+49	+53	+57	+48	+34	+23	+33
1964	1,166	1,168	1,170	1,152	1,140	1,134	1,115	1,099	1,094	1,102	1,114	1,121	1,132
Change from 1963	+31	+27	+31	+10	-6	-23	-32	-34	-38	-30	-25	-27	-9
1965	1,127	1,116	1,103	1,101	1,104	1,105							
Change from 1964	-39	-52	-67	-51	-36	-29							

Cattle feeders likely will find some difficulty in contracting for fall delivery of feeders. With good grazing conditions and increased feeder cattle prices this summer, cow-calf operators have been somewhat reluctant to contract for fall delivery at current prices. And so far this summer, feedlot operators have appeared unwilling to bid up feeder cattle prices further.

The number of cattle placed on feed in the fall and the timing of these placements will depend primarily on feeding margins, the longer range outlook for fed cattle prices and feed costs. Placements this fall probably will continue large, even though fed cattle prices may decline somewhat from current levels. However, more of the animals placed likely will be calves or lightweight feeders than in October-December 1964. Lower feed costs also may help encourage the feeding of younger animals.

Feeder Cattle Prices to Continue Above 1964 Levels

Feeder cattle prices in 1964 dropped to low levels. Cattle feeders had suffered large losses during 1963 and in the first half of 1964 and were reluctant to bid up prices in view of the outlook last year. Choice 500-800 pound feeder steers at Kansas City averaged $21.92 per 100 pounds last year, the lowest since 1956. Prices continued at reduced levels last winter, but rose somewhat this past spring. Currently, Choice feeder steers, 500-800 pounds at Kansas City, are averaging just under $26 per 100 pounds, $3-$4 above a year earlier.

The sharp increase in fed cattle prices last spring stimulated the demand for feeder cattle. And, on the supply side, the growth in the available supply slowed somewhat in 1964, and cow-calf operators this spring were in a better position to hold, in view of improved range conditions.

Cattle feeders' interest in fleshy feeders during the spring months has been reflected in feeder cattle and calf prices. In February, steer calves at Kansas City averaged $23.16 per 100 pounds liveweight, or $1.24 above 500-800 pound steers at the same market. Increased demand for heavy feeder cattle pushed feeder steer prices up to $25.85 in June, while feeder steer calf prices increased to only $26.10. Thus, the usual price margin of feeder calves over steers has almost disappeared. The margin likely will continue narrow into the fall months because of the scarcity of heavy steers available for placement.

Range feed conditions on July 1 were 87 in the Western range States, 7 points above a year earlier. All States showed increases over the previous month, except Arizona and California which declined slightly. Better grazing conditions increase the carrying capacity and reduce the number of cattle coming off grass early, because stockmen can provide forage longer and extend the grazing season.

Table 5.--Selected prices per 100 pounds of cattle, by months, 1964-65

Month	Chicago				Kansas City			
	Choice steers		Utility cows		Good feeder steers 500-800 lb.		Choice feeder steer calves	
	1964	1965	1964	1965	1964	1965	1964	1965
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
January	22.61	24.28	13.19	12.80	21.32	19.56	26.01	22.85
February	21.34	24.02	13.51	13.37	20.76	19.41	26.16	23.16
March	21.56	24.31	14.58	13.89	20.92	20.05	26.64	23.92
April	21.28	25.63	14.84	14.24	19.82	21.19	25.29	25.14
May	20.52	26.88	14.53	14.96	19.41	22.27	24.17	25.75
June	21.57	27.68	14.39	15.67	19.87	22.88	24.02	26.10
July	23.44	1/27.00	13.68	1/15.47	19.08	1/22.75	23.42	1/25.94
August	25.28		13.85		18.66		22.90	
September	26.07		14.30		19.38		23.12	
October	25.07		12.94		18.83		22.63	
November	24.64		12.53		19.42		22.82	
December	24.01		12.50		19.06		22.45	
Average	23.12		13.74		19.71		24.14	

1/ July is 2-week average.

Compiled from Market News, Livestock Division, C&MS.

Feeder cattle prices likely will be strong during the coming months and average well above year-earlier levels. Mainly responsible is the expected continuation of favorable fed cattle prices. Also, grazing conditions this fall appear favorable.

Cow Slaughter May Drop This Fall

Cow slaughter in the first half of this year ran well above 1964 levels and is expected to continue higher this summer. However, slaughter this fall may drop below year-earlier levels. Cow slaughter under Federal inspection during the first 5 months of this year was up 28 percent. Higher rates of cow slaughter have reflected the low calf prices in 1963 and 1964 and the poor grazing conditions last year.

Total cow slaughter in 1964 (estimated on the basis of the percentage slaughtered under Federal inspection) was up about 1.3 million head from the year before and equaled around 13 percent of the number of cows on farms on January 1, 1964. This was higher than in any year since 1958 when the upswing in the current cattle cycle began. Cow slaughter in 1965 will again account for a larger proportion of the number on hand at the beginning of the year, but it will still be below the liquidation rates of the mid-1950's.

Higher calf prices, better grazing conditions, and an improved long-term outlook for fed cattle likely will lead to expanded breeding herds this year and a reduction in the number of cows sent to slaughter later this year. Many old cows were sent to slaughter in 1964 and during the first half of this year. Also forced liquidation is not now expected in any widespread area of the range country. Some areas of western Kansas, eastern Colorado, and Nebraska--unusually dry for several years--have recently received rains. Stockmen in these areas will be buying cows and heifers for foundation herds.

Early in 1965, cow prices were about $1 below year-earlier levels. However, prices went up during the spring, and currently are about $1 to $2 above those of a year ago. Reduced imports of beef, higher prices for fed cattle, smaller supplies of pork, lamb and mutton, and less beef in cold storage have helped to pull cow prices above 1964 levels, even though cow slaughter has been up substantially.

Cow prices this fall likely will decline only seasonally and average around year-earlier levels. However, higher U.S. prices for processing beef might cause some pick up in beef imports late this year.

Corn Belt Feeding Returns Up Despite Increased Costs

Profits from cattle feeding in the Corn Belt were low in the winters of 1962 and 1963. Last winter, however, feeders made favorable returns from their operations. Higher fed cattle prices more than offset the increased cost of feed during the winter feeding season. (See table 6.)

Feeder steer prices dropped to the lowest level in 8 years during the fall of 1964 and averaged only $19.28 per 100 pounds liveweight (average price paid for feeder steers at Kansas City during August-December 1964). These cattle, after about 5 months of feeding, were sold for an average of $26.80 per 100 pounds (Choice steers sold at Chicago during April-July 1965). Thus, many steers fed in the Corn Belt last winter showed a positive feeding margin of over $7 per 100 pounds liveweight.

The feeding margin for steers--the difference in the current price of fed steers and in the price of feeder steers 7 months earlier--has varied widely in recent years. Low fed cattle prices often meant that fed cattle going to slaughter sold for much less per 100 pounds liveweight than they had cost when purchased as feeder cattle. This was the general situation in the winters of 1962 and 1963.

Feeder cattle prices rose somewhat this past spring and are currently more than $3 higher than a year ago. Some further price increases may take place this summer and fall if feedlot demand continues strong and grazing conditions continue favorable. Fed cattle prices this fall are expected to remain above the year-earlier levels of $24.57 (Choice steers at Chicago, October-December). However, cattle feeders selling finished animals for slaughter this fall likely will have a lower positive feeding margin than they had during the 1964-65 winter feeding season. If the indicated larger feed grain production materializes, feed costs will be lower this fall, but probably not enough to

Table 6.--Average prices and costs in feeding steers in the Corn Belt, 1954 to date

Item	Feeding season beginning										
	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Price:											
Choice grade beef steers sold out of first hands, Chicago, April-July, per 100 pounds	23.26	21.17	23.72	28.32	29.01	26.72	23.33	26.30	23.45	21.70	26.80
Feeder steers, Kansas City, August-December, per 100 pounds 1/	18.74	17.30	17.27	20.94	25.60	24.32	21.98	22.92	25.09	22.07	19.28
Corn, received by farmers North Central States, September-July, per bushel	1.370	1.238	1.205	1.019	1.032	.995	.954	.962	1.031	1.093	1.15
Alfalfa hay, received by farmers North Central States, September-July, per ton	20.59	19.27	19.17	15.64	16.32	18.85	18.03	19.25	18.71	20.78	23.00
Soybean meal, 44 percent protein, wholesale, Chicago, September-July, per ton	72.84	64.69	57.97	63.49	61.75	59.37	63.17	65.30	74.96	76.37	74.00
Sales value, per head:											
Choice steers, 1,050 pounds	244.23	222.28	249.06	297.36	304.60	280.56	244.96	276.15	246.22	227.85	281.40
Cost, per head:											
Feeder steer, 700 pounds	131.18	121.10	120.89	146.58	179.20	170.24	153.86	160.44	175.63	154.49	134.96
Transportation from market to feedlot	4.21	4.21	4.48	4.89	5.30	5.30	4.84	4.62	4.62	4.62	4.62
Corn, 45 bushels	61.65	55.71	54.22	45.86	46.44	44.78	42.93	43.29	46.40	49.18	51.75
Alfalfa hay, 0.75 ton	15.44	14.45	14.38	11.73	12.24	14.14	13.52	14.44	14.03	15.59	17.25
Soybean meal, 150 pounds	5.46	4.85	4.35	4.76	4.63	4.45	4.74	4.90	5.62	5.73	5.55
Transportation and marketing expense	10.43	10.82	11.32	11.76	12.53	12.58	11.47	11.58	11.58	11.56	11.56
Total for items shown 2/	228.37	211.14	209.64	225.58	260.34	251.49	231.36	239.27	257.88	241.17	225.69
Margin, value over costs shown 2/	15.86	11.14	39.42	71.78	44.26	29.07	13.60	36.88	-11.66	-13.32	55.71

1/ Average all weights and grades.
2/ Does not include overhead costs, cost of pasture or other feed ingredients and death loss, or credits for manure and for hogs following steers. The feed ration and prices shown are designed to be fairly representative of average feeding experiences in the Corn Belt, but do not necessarily coincide with the experience of individual feeders.

offset the narrower feeding margins. Returns from feeding cattle likely will remain attractive in coming months, but perhaps somewhat below the relatively favorable levels of the past few months.

HOGS

Commercial hog slaughter during the first 5 months of 1965 totaled 33 million head, down about 9 percent from a year earlier. Slaughter under Federal inspection in June and the first 2 weeks of July averaged about 1.0 million head a week, down about 8 percent from the same weeks a year earlier. Although average live weights have been 2 pounds lighter so far this year, pork production has been down less than slaughter, indicating a moderate increase in the yield of meat per animal.

Hog prices increased sharply during the second quarter. Barrows and gilts at 8 markets during April-June averaged $20.43 per 100 pounds, up $6 or 37 percent from year-earlier levels. For the first 6 months of 1965, barrows and gilts averaged $18.56 at 8 markets, up $4 from 1964. For the first two weeks in July they averaged $24.47, only slightly above June levels.

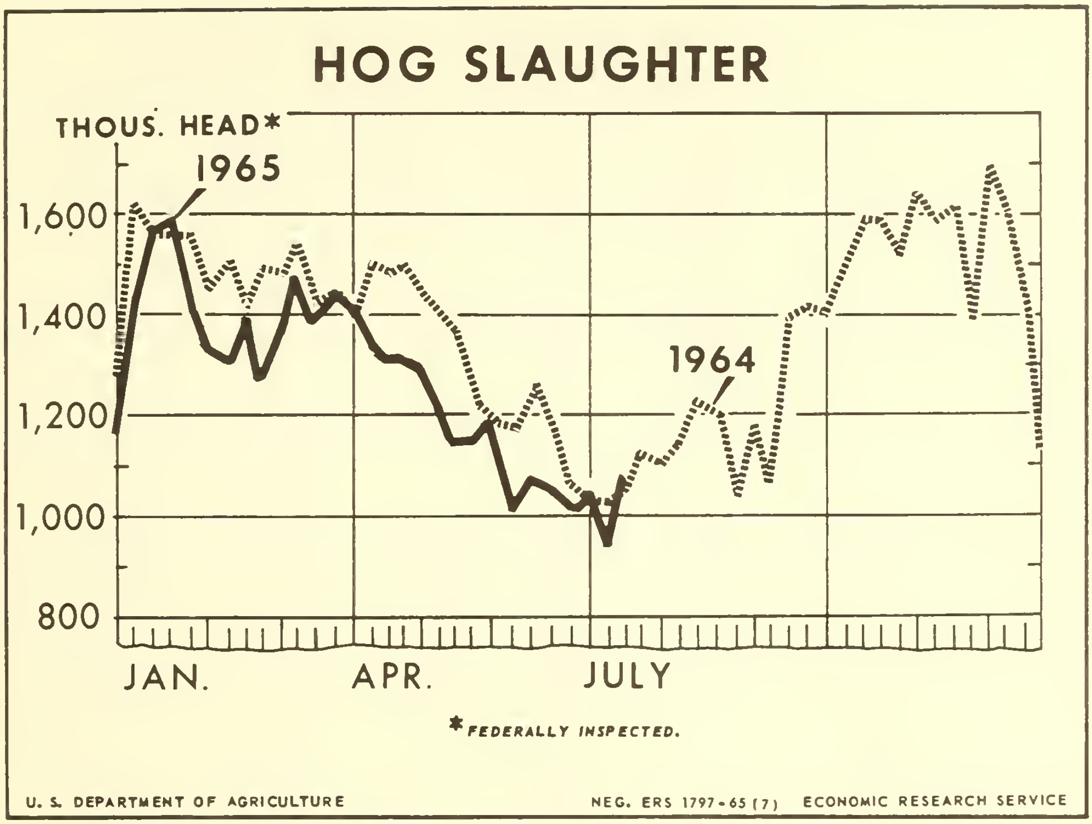
Several factors were responsible for the substantial increase in hog prices this spring. The most important was the sharp reduction in slaughter resulting from the cutback in the June-November 1964 pig crop. Also, besides substantially smaller fresh supplies and smaller cold storage stocks of pork, supplies of other red meat in April-May were down from a year earlier. Consumer demand has continued strong as a result of continued growth in population and consumer incomes.

December 1964-May 1965 Pig Crop Down 10 Percent

The December 1964-May 1965 pig crop totaled 43.2 million head, 10 percent less than in 1964. This was the smallest December-May pig crop since 1937. The decline from 1964 was due entirely to fewer sows farrowing, since the number of pigs saved per litter was about the same.

Most of the decrease in the December-May pig crop occurred in the North Central and Western regions, although there were declines in all regions. The East North Central and Western regions showed the sharpest declines, 13 percent, while the West North Central and North Atlantic regions were down 10 and 9 percent. The number of pigs saved in the South Central and South Atlantic regions was down only 6 and 2 percent.

In contrast to the past 2 years, average farrowing dates were once again moved back earlier this year. December-February farrowings comprised 37.2 percent of total December-May farrowings compared with 36.0 percent last year. The proportion of early farrowings this spring was exceeded only once--in 1959--when 38.2 percent occurred during the December-February period.



The resumption of this trend toward earlier farrowings will tend to even out the high and low points of hog slaughter during the summer and fall. Accordingly, this should tend to reduce the magnitude of the seasonal price swings in the summer and fall.

June-November Pig Crop
Down 8 Percent

The downturn in hog production that began in the spring of 1964 is expected to continue into this fall's farrowing season. Producers reported intentions on June 1 to have 5.2 million sows farrow during June-November. If these intentions materialize and the number of pigs saved per litter is average, with an allowance for trend, the June-November 1965 crop will total about 37.5 million head. This would be 8 percent smaller than in 1964 and the smallest June-November crop since 1957.

All regions except the West and the South Atlantic planned fewer fall farrowings this year. Producers in the East North Central region stated intentions for the largest decline--down 11 percent--while the West North Central and the North Atlantic regions planned decreases of 6 percent. Farrowings in the South Central region are expected to be down 4 percent from a year earlier.

Although producers could have altered their late-fall production plans after June 1, it is unlikely that they have made any major change. On June 1, there were 6.3 million head of hogs and pigs on farms in 10 Corn Belt States for breeding purposes, 12 percent fewer than a year earlier. In contrast,

Table 7.--Number of sows farrowing, pigs saved and pigs saved per litter, spring and fall pig crops, by regions, 1960 to date

DECEMBER-MAY

Year	North Atlantic	North Central East	North Central West	South Atlantic	South Central	Western	United States
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
Sows farrowing:							
1960	110	2,095	3,174	549	722	140	6,790
1961	102	2,146	3,427	512	701	141	7,029
1962	98	2,148	3,421	511	689	151	7,018
1963	99	2,191	3,504	513	662	158	7,127
1964	83	2,054	3,308	467	564	147	6,623
1965 1/	72	1,785	3,010	458	530	125	5,980
Pigs saved:							
1960	757	14,640	22,401	3,742	4,787	955	47,282
1961	698	15,451	24,876	3,576	4,829	1,011	50,441
1962	683	15,170	24,334	3,625	4,807	1,073	49,692
1963	682	15,614	25,309	3,638	4,570	1,117	50,930
1964	566	14,797	24,112	3,382	3,967	1,047	47,871
1965 1/	513	12,942	21,758	3,330	3,732	909	43,184
Pigs saved per litter:	Number	Number	Number	Number	Number	Number	Number
1960	6.86	7.00	7.06	6.82	6.63	6.82	6.96
1961	6.86	7.20	7.26	6.98	6.89	7.12	7.18
1962	6.98	7.06	7.11	7.08	6.98	7.11	7.08
1963	6.90	7.13	7.22	7.09	6.90	7.13	7.15
1964	6.82	7.20	7.29	7.23	7.03	7.17	7.23
1965 1/	7.10	7.25	7.23	7.27	7.04	7.30	7.22

JUNE-NOVEMBER

Year	North Atlantic	North Central East	North Central West	South Atlantic	South Central	Western	United States
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
Sows farrowing:							
1960	94	1,945	2,499	474	704	139	5,855
1961	87	1,922	2,589	464	687	134	5,953
1962	89	2,077	2,709	475	682	133	6,165
1963	85	2,059	2,705	458	646	133	6,086
1964	77	1,874	2,570	415	571	117	5,624
1965 1/	72	1,677	2,405	413	548	117	5,232
Pigs saved:							
1960	648	13,854	17,482	3,286	4,857	978	41,105
1961	606	14,442	18,510	3,275	4,818	943	42,594
1962	626	15,169	19,570	3,382	4,852	945	44,544
1963	608	15,012	19,537	3,287	4,628	950	44,022
1964	548	13,587	18,519	2,995	4,076	854	40,579
1965							2/37,500
Pigs saved per litter:	Number	Number	Number	Number	Number	Number	Number
1960	6.86	7.12	7.00	6.94	6.90	7.03	7.02
1961	6.97	7.25	7.15	7.05	7.01	7.06	7.16
1962	7.09	7.30	7.22	7.12	7.11	7.16	7.23
1963	7.17	7.29	7.22	7.18	7.16	7.13	7.23
1964	7.12	7.25	7.22	7.22	7.14	7.29	7.22
1965							2/ 7.20

1/ Preliminary. 2/ Number indicated to farrow from intentions as of June 1, 1965. Average number of pigs per litter with allowance for trend used to calculate indicated number of pigs saved.

planned farrowings in these States were down only 8 percent from year-earlier levels. Sow marketings, on the other hand, continued at high levels during June in relation to the number of breeding animals on farms. Marketings of sows for slaughter at 8 markets totaled about 142,000 head in June, only 2 percent less than in June 1964. If producers were making a substantial change in their stated intentions for late fall production, sow slaughter during June would have fallen well below year-earlier levels.

If the June-November pig crop totals around 37.5 million head, as seems likely, the combined spring-fall pig crop for 1965 will total 80.7 million head. A crop this size would be 9 percent below 1964, 15 percent below 1963 and the smallest since 1953.

Slaughter Supplies Down Substantially in Second Half of 1965

Hog slaughter this summer and fall will likely average 10 percent or more below year-earlier levels. The December 1964-May 1965 pig crop, source of the major part of slaughter supplies during the rest of the year, was 10 percent smaller than a year earlier. In addition, producers will likely withhold a substantial number of gilts in coming months in order to expand production next spring in response to the current favorable price outlook. Thus, slaughter rates probably will be below what the reduced pig crop alone would indicate.

Farrowings during December-February 1965 were down 7 percent from a year earlier while March-May farrowings were down 11 percent. If a 7-month lag is applied from the time of farrowing to slaughter, the farrowing pattern of this past spring indicates that slaughter rates likely will fall off relatively more from year-earlier levels in the fall than in midsummer. A similar marketing pattern is also indicated by the June 1 weight groupings of hogs and pigs on farms in 10 Corn Belt States. The number of hogs weighing between 120-179 pounds--likely to be marketed before mid-September--was down 4 percent while the number weighing less than 120 pounds was down 9 percent.

Barrow and gilt prices this summer are averaging well above a year earlier. They were $16.97 at 8 markets during July-September 1964. Prices during July-September 1965 likely will hold around the current level--$24.47 barrows and gilts at 8 markets, first 2 weeks in July. Usually, cold storage holdings of pork temper summer hog prices since stocks from cold storage are added to the seasonally low fresh slaughter supplies. However, cold storage holdings this summer are relatively small and likely will not have much effect on hog prices. On July 1, there were only 228 million pounds of pork in cold storage, 45 percent below a year earlier and 25 percent below the 1959-63 average for that date. This was equal to about a 7-day supply of pork at the 1964 average consumption rate of 65 pounds per person.

Although hog prices likely will decline seasonally this fall as slaughter supplies increase, prices will continue favorable to producers and are expected to average well above the year-earlier level of $15.12 (barrows and gilts, 8 markets).

Table 8.--Distribution of farrowings by quarters, selected regions, 1961-65

Year and region	Percentage of farrowings occurring in:					
	December-February	March-May	June-August	September-November	Spring Crop	Fall Crop
	Percent	Percent	Percent	Percent	Percent	Percent
1961						
10 States 1/	17.8	37.0	23.3	21.8	54.9	45.1
38 States	24.7	27.1	25.8	22.4	51.8	48.2
United States	19.5	34.7	23.9	22.0	54.2	45.9
1962						
10 States 1/	18.2	35.6	23.5	22.6	53.8	46.2
38 States	24.3	27.1	25.8	22.8	51.4	48.7
United States	19.6	33.6	24.1	22.7	53.2	46.8
1963						
10 States 1/	18.2	36.3	23.8	21.7	54.5	45.5
38 States	25.0	27.2	24.9	22.9	52.2	47.8
United States	19.7	34.2	24.1	22.0	53.9	46.1
1964						
10 States 1/	18.0	36.7	23.7	21.6	54.7	45.3
38 States	24.7	27.2	25.7	22.4	52.0	48.0
United States	19.5	34.6	24.1	21.8	54.1	45.9
1965 2/						
10 States 1/	18.4	35.7	24.0	22.0	54.0	46.0
38 States	24.8	26.2	---	---	50.9	49.1
United States	19.8	33.5	---	---	53.3	46.7

1/ 10 States that report quarterly: Ohio, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Missouri, South Dakota, Nebraska, and Kansas.

2/ Computed from June 1 intentions for fall litters.

Table 9.--Number of sows farrowing and percentage distribution by months, spring and fall seasons, United States, 1958 to date 1/

December-May farrowings

Year	Dec.	Jan.	Feb.	Mar.	Apr.	May	Total
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1958	410	790	1,480	1,869	1,706	1,026	7,281
1959	539	985	1,529	2,048	1,853	1,042	7,996
1960	495	761	1,255	1,710	1,606	963	6,790
1961	506	776	1,247	1,707	1,746	1,047	7,029
1962	494	825	1,268	1,747	1,657	1,032	7,023
1963	567	862	1,179	1,664	1,776	1,084	7,132
1964	542	795	1,052	1,562	1,610	1,068	6,629
1965	529	722	973	1,428	1,410	924	5,986
	Percentage distribution of December-May farrowings						
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1958	5.6	10.9	20.3	25.7	23.4	14.1	100.0
1959	6.8	12.3	19.1	25.6	23.2	13.0	100.0
1960	7.3	11.2	18.5	25.2	23.6	14.2	100.0
1961	7.2	11.0	17.8	24.3	24.8	14.9	100.0
1962	7.0	11.7	18.1	24.9	23.6	14.7	100.0
1963	8.0	12.1	16.5	23.3	24.9	15.2	100.0
1964	8.2	12.0	15.9	23.5	24.3	16.1	100.0
1965	8.8	12.1	16.2	23.9	23.6	15.4	100.0

June-November farrowings

Year	June	July	Aug.	Sept.	Oct.	Nov.	Total
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1958	829	912	1,400	1,504	820	422	5,887
1959	954	978	1,414	1,559	808	415	6,128
1960	877	875	1,290	1,505	865	443	5,855
1961	944	899	1,256	1,483	903	468	5,953
1962	940	904	1,333	1,581	923	489	6,170
1963	985	960	1,237	1,514	925	470	6,091
1964	977	878	1,105	1,400	827	443	5,630
	Percentage distribution of June-November farrowings						
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1958	14.1	15.5	23.8	25.5	13.9	7.2	100.0
1959	15.5	16.0	23.1	25.4	13.2	6.8	100.0
1960	15.0	14.9	22.0	25.7	14.8	7.6	100.0
1961	15.9	15.1	21.1	24.9	15.2	7.8	100.0
1962	15.2	14.7	21.6	25.6	15.0	7.9	100.0
1963	16.2	15.8	20.3	24.8	15.2	7.7	100.0
1964	17.3	15.6	19.6	24.9	14.7	7.9	100.0

1/ Includes Alaska and Hawaii beginning 1962.

So far this year, market weights of barrows and gilts at 8 markets have averaged more than 3 pounds lighter than in the same months last year. With the large decrease in slaughter hog supplies, the price discount on heavy hogs has declined by a fourth from a year earlier. During January-June this year, the price spread between 200-220 pound and 240-270 pound hogs at Chicago averaged 68 cents per 100 pounds, 27 cents less than in the same period in 1964. As slaughter hog supplies continue relatively short this summer and fall, this price discount likely will be smaller than in other recent years.

If the 1965 corn crop increases as now indicated, producers will tend to feed hogs to heavier weights this fall in response to the favorable price relationship in prospect between hogs and corn and the relatively small discount on heavier hogs. However, producers are advised to make a careful analysis of the additional costs of feeding to heavier weights before they do so.

Favorable Price Prospects for Early 1966

If the fall pig crop turns out to be 8 percent smaller this year, hog prices in the first half of 1966 likely will equal or exceed those of the first half of 1965. Per capita pork supplies during January-June 1966 from such a crop would be about 2-3 pounds per person less than the 29 pounds estimated for the first half of 1965 and about 4 pounds less than in those months of 1964. Furthermore, if producers begin a large production expansion in response to current favorable prices, slaughter early next year may be down even more than indicated by planned farrowings, since gilts will be held back. This would give even more strength to hog prices next winter and spring.

Beef supplies in early 1966 are likely to be larger than they were this year, but not enough to have much price-depressing effect on hog prices during the first half of next year. However, the current and prospective fall and winter buildup in broiler production may have some effect on hog prices.

Current Management Decisions to Affect Returns in Late 1966 and 1967

The hog-corn price ratio, currently at 18, is the highest since November 1960. Although it will decline seasonally this fall and winter as slaughter increases and hog prices decline from summer levels, it likely will still average around 16. In the past, a ratio at this level has led to substantial expansion in hog production. Therefore, just as low hog prices in 1963 and 1964 led to the production cutback in 1964 and 1965, relatively favorable hog prices this year likely will bring about an expansion in 1966.

The size of the expansion next spring will largely determine the profitability of raising hogs in late 1966 and in 1967. A moderate increase of 5-7 percent in the spring and fall pig crops next year probably would result in lower hog prices. However, if the past is any guide, hog production will increase considerably more than this. In that case, prices could drop low enough to make returns unfavorable again to hog producers.

Table 10.--Hog prices, corn prices, and hog-corn price ratio, by months, 1963 to date

Month	Hog price 1/			Corn price 1/			Hog-corn price ratio 2/		
	1963	1964	1965	1963	1964	1965	1963	1964	1965
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.			
Jan.	15.40	14.40	15.40	1.03	1.09	1.15	15.0	13.2	13.4
Feb.	14.80	14.30	16.40	1.06	1.08	1.17	14.0	13.2	14.0
Mar.	13.80	14.10	16.30	1.06	1.11	1.18	13.0	12.7	13.8
Apr.	13.50	14.00	16.60	1.08	1.14	1.21	12.5	12.3	13.7
May	14.40	14.30	19.70	1.10	1.16	1.23	13.1	12.3	16.0
June	16.10	14.90	22.50	1.16	1.16	1.24	13.9	12.8	18.1
July	17.10	15.90		1.19	1.12		14.4	14.2	
Aug.	16.70	15.60		1.19	1.12		14.0	13.9	
Sept.	15.50	16.20		1.21	1.17		12.8	13.8	
Oct.	15.20	15.10		1.08	1.10		14.1	13.7	
Nov.	14.20	13.90		1.02	1.04		13.9	13.4	
Dec.	13.60	14.70		1.07	1.14		12.7	12.9	
Average	14.90	14.80		1.10	1.12		13.6	13.2	

1/ Average price received by farmers, hogs, dollars per 100 pounds, for corn dollars per bushel.
2/ Bushels of corn equivalent in value to 100 pounds of hog, live weight.

SHEEP AND LAMBS

Lamb Crop Down 2 Percent

The lamb crop this year is expected to total 17.6 million head, 2 percent less than a year ago. The 35 Native States produced 5 percent fewer lambs while the 13 Western sheep States (11 Western States, South Dakota, and Texas) had about the same number of lambs.

The lamb crop was smaller this year than last, even though the lambing crop percentage (number of lambs saved per 100 ewes 1-year old and older on farms January 1) was up 2 percent this year from 1964 to 94 percent. The lamb crop was smaller this year because the number of breeding ewes last January 1 was down 4 percent from 1964, and the number of ewe lambs was down 7 percent. The lambing percentage in the Western States was 90 percent, up 4 points from 1964, while the Native States' lambing percentage declined 1 point to 105 percent.

Slaughter Down 11 Percent; Prices Up

Commercial slaughter of sheep and lambs during January-May this year was down more than 11 percent from the same period in 1964. Slaughter in federally inspected plants during June and the first 2 weeks of July continued well below year-earlier levels--down 12 percent. Contributing to the decline in slaughter

Table 11.--Selected prices per 100 pounds of livestock, by months, 1964-65

Month	Barrows and gilts at 8 markets 1/		Sows at 8 markets 1/		Choice lambs at Denver		Choice feeder lambs at S. St. Paul	
	1964	1965	1964	1965	1964	1965	1964	1965
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
January	14.70	16.06	12.02	13.10	19.12	21.98	17.64	21.74
February	14.70	17.01	12.51	14.62	20.17	23.08	19.60	23.18
March	14.48	16.98	12.63	15.01	21.39	23.53	21.04	23.08
April	14.16	17.63	12.29	15.26	22.65	2/	20.48	2/
May	14.84	20.29	12.49	17.44	22.84	27.40	2/	22.75
June	15.83	23.38	12.85	20.10	23.20	26.98	19.10	20.73
July	17.11	3/24.47	13.44	3/20.76	22.82	3/25.42	18.29	3/22.25
August	17.05		13.78		22.77		18.85	
September	16.76		14.28		22.53		18.94	
October	15.39		13.05		21.76		18.66	
November	14.43		11.85		20.56		19.01	
December	15.55		12.34		20.23		19.60	
Average	15.31		12.84		21.56		19.20	

1/ Average for all weights at Midwest markets. 2/ No prices quoted. 3/ July is 2-week average.

Compiled from Market News, Livestock Division, C&MS.

has been a 4 percent smaller inventory of stock sheep at the beginning of the period, 9 percent fewer lambs on feed on January 1, a 2 percent smaller spring lamb crop, and a slowdown in the rate of liquidation.

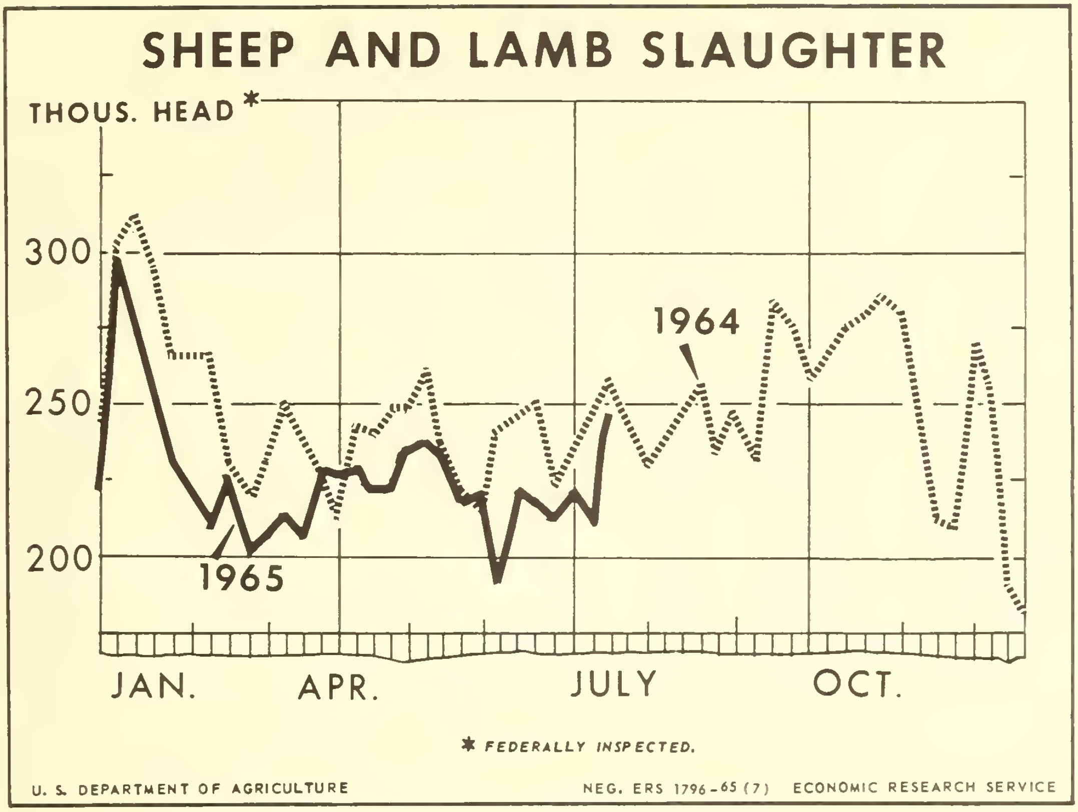
Prices of fed lambs as well as feeder lambs have averaged well above year-earlier levels so far this year in response to smaller supplies of lambs and other red meats. Currently, Choice slaughter lambs at Denver are averaging around $25.42, up $2.60 from 1964. Feeder lambs at South St. Paul are $3.92 above the $18.32 received a year earlier.

In the first 6 months of the year, prices received by farmers for lambs averaged $22.43, up $2.70 from a year earlier. This was the highest first-half average since 1952.

Second Half Slaughter Supplies Down

Marketings of sheep and lambs in the second half likely will be down somewhat more from a year earlier than the 2 percent smaller lamb crop would indicate. But the decline will be somewhat less than the 11 percent drop in slaughter during January-May.

Lamb slaughter under Federal inspection during April-May was 7 percent below year-earlier levels, even though the early-lamb crop this year was only 2 percent less than in 1964. Producers apparently are slowing down the rate of liquidation this year because of the favorable returns to the sheep industry during the past 15-18 months. If producers continue to hold back ewe lambs this fall, slaughter supplies will be reduced substantially.



Lamb prices during the second half will continue averaging well above the year-earlier level of $21.78 at Denver. Last year, the seasonal decline in lamb prices during the summer was small. With continued smaller supplies this summer, the seasonal decline will likely be rather small again this year.

Slowdown in Sheep and Lamb Liquidation

There were 26.7 million head of sheep and lambs on farms and ranches last January 1. This was 1.3 million head less than a year earlier, marking the fifth consecutive year that sheep numbers declined. The balance sheet in table 12 indicates that liquidation of sheep and lambs likely will be slowed down substantially this year.

The large reduction in slaughter means ewe lambs are being held back to add to breeding flocks. Slaughter the rest of this year will probably be off 7-9 percent. In this event, the January 1, 1966, inventory of sheep and lambs will likely be only slightly less than a year earlier. On the other hand, continuaton at the reduced first half slaughter rate during July-December would result in a slight increase in the January 1, inventory. However, if slaughter during the latter half of the year is only 4-5 percent below the same months a year earlier, the inventory next January 1 will continue its decline. The current and prospective outlook for sheep and lambs appears bright and sheepmen are beginning to respond, but no major change in sheep numbers is in prospect this year. Furthermore, the sheep and lamb inventory probably will hold near this level during the next several years.

Table 12.--Balance sheet for sheep and lambs, United States, 1956 to date

Year	Number on farms Jan. 1	Born during year	Net exports	Slaughter	Deaths	Adjustment factor	Number on farms Dec. 31
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1956	31,157	20,336	+57	16,328	4,322	-132	30,654
1957	30,654	19,810	+18	15,292	4,353	416	31,217
1958	31,217	20,686	-22	14,495	4,350	-474	32,606
1959	32,606	21,120	-54	15,528	4,539	-543	33,170
1960	33,170	21,283	-13	16,239	4,611	-649	32,967
1961 1/	32,982	21,271	+27	17,536	4,578	-792	31,320
1962	31,320	20,284	+16	17,171	4,519	-105	29,793
1963	29,793	19,224	+28	16,153	4,324	-491	28,021
1964	28,021	17,905	+10	14,897	4,257	-94	26,668
1965	26,668	17,606	+20	2/13,500	3/4,250		3/26.3-26.7

1/ Beginning 1961, 50-State total. 2/ Partly estimated. 3/ Forecast.

MEAT CONSUMPTION AND PRICES

Meat Consumption Down This Year

Commercial production of meat in the first half of 1965 was about 3 percent less than last year. Pork output was down sharply to account for most of the change.

Consumption of commercially produced meat in the first quarter was down about half a pound per person from the 41.8 pounds a year earlier. Although per capita beef consumption was up 0.6 pound during the period pork consumption was down 0.8 pound. Meat consumption in April-June likely was about 2-3 pounds per person below 1964, with all red meats sharing in the decrease.

Production and consumption of meat during the rest of 1965 likely will continue below a year earlier. The biggest reduction will be in pork. Meat output for the year likely will be about 31.5-31.7 billion pounds, about 3 percent less than the 32.7 billion pounds in 1964, but larger than in any other year. Per capita consumption of all red meat may be around 168-169 pounds compared with last year's 175 pounds. Per capita beef consumption is expected to be about the same or slightly less than last year, but pork consumption probably will be down at least 6-7 pounds from the 65.3 pounds in 1964.

Table 13.--Consumption of commercially produced meat per person, by months, 1963 to date 1/

Month	All meat 1965	All meat 1964	All meat 1963	Beef 1965	Beef 1964	Beef 1963	Pork 1965	Pork 1964	Pork 1963
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Jan.	14.0	15.2	14.1	8.2	8.6	7.7	5.1	5.7	5.6
Feb.	12.6	12.7	12.5	7.4	7.2	6.9	4.5	.48	4.7
Mar.	14.8	13.9	13.4	8.6	7.8	7.3	5.5	.54	5.3
Jan.-Mar.	41.4	41.8	40.0	24.2	23.6	21.9	15.1	15.9	15.6
Apr.	13.4	14.4	13.5	7.6	8.4	7.4	5.1	5.3	5.3
May		13.6	14.2		8.1	8.1		4.8	5.3
June		14.3	12.7		8.8	7.5		4.8	4.5
Apr.-June		42.3	40.4		25.3	23.0		14.9	15.2
July		14.1	13.6		8.4	8.1		4.9	4.7
Aug.		13.6	13.9		8.2	8.2		.47	4.8
Sept.		14.4	13.6		8.5	7.8		5.1	5.1
July-Sept.		42.1	41.1		25.1	24.1		14.7	14.6
Oct.		15.3	15.4		8.7	8.7		5.7	5.9
Nov.		13.9	13.5		7.7	7.3		5.5	5.4
Dec.		14.8	13.8		8.3	7.5		5.8	5.7
Oct.-Dec.		44.0	42.7		24.7	23.5		17.0	17.0
Year	2/163-164	170.2	164.2	2/98-99	98.7	92.5	2/56-57	62.5	62.4

1/ Does not include consumption of meat from farm slaughter.

2/ Partly forecast.

Strong Advance in Wholesale Meat Prices

Wholesale prices of all meats increased substantially during May and June in response to smaller supplies of red meats and strong consumer demand. Compared with a year earlier, beef prices at Chicago were up 22 percent, pork loins were up 27 percent, while lamb was up 13 percent, table 14.

Table 14.--Wholesale dressed meat prices, less than carlot basis, at selected markets for beef, pork, and lamb, 1964 to date

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
					Choice steers 600-700 lb.							
					New York							
					Dollars per 100 pounds							
1964	39.85	38.11	37.78	37.89	37.16	38.35	40.85	42.36	43.03	41.86	40.85	39.98
1965	40.30	40.35	40.29	41.78	44.60	46.24						
By week												
1	39.50	40.25	39.85	41.25	43.75	46.50	44.88					
2	39.45	40.25	39.45	41.75	44.05	46.85	44.65					
3	40.25	40.65	39.75	41.75	44.55	45.75						
4	40.75	40.25	41.25	42.35	46.05	46.05						
5	40.75		41.15			46.05						
					Chicago							
1964	39.32	38.31	37.75	37.27	36.08	37.12	39.86	42.06	42.88	41.32	40.88	39.78
1965	40.40	39.46	40.20	41.53	44.03	45.54						
By week												
1	39.25	39.75	39.75	40.88	43.38	45.92	45.25					
2	40.12	39.35	39.25	41.38	43.75	45.65	44.55					
3	40.75	39.25	40.00	41.75	43.88	44.65						
4	40.50	39.50	41.12	42.12	45.12	45.75						
5	40.25		40.88			45.75						
					Los Angeles							
1964	39.00	38.92	39.14	38.94	37.44	38.34	41.23	40.74	41.35	40.23	39.69	40.20
1965	40.44	39.76	40.09	41.38	43.81	45.71						
By week												
1	40.38	40.25	40.00	40.94	42.62	45.50	45.75					
2	40.25	39.56	40.00	40.94	43.50	46.43	45.56					
3	40.50	39.50	40.00	41.62	44.06	45.56						
4	40.50	39.75	39.94	42.00	45.06	45.38						
5	40.50		40.50			44.62						
					Pork loins 8-12 lb.							
					New York							
1964	43.83	41.32	40.91	40.14	39.48	46.14	50.31	51.34	50.30	47.80	40.14	40.30
1965	46.00	45.19	45.42	45.28	51.25	58.71						
By week												
1	42.00	44.90	46.05	44.60	48.00	54.88	58.06					
2	42.70	45.50	45.95	44.00	52.20	58.40	59.00					
3	47.00	45.10	45.00	45.50	52.90	62.20						
4	48.20	45.25	46.40	47.00	51.90	60.20						
5	46.10		43.70			57.85						
					Chicago							
1964	41.02	39.34	38.16	39.00	38.90	45.61	50.40	51.45	48.25	45.74	39.01	39.49
1965	44.16	43.69	44.31	44.22	50.01	57.72						
By week												
1	41.50	43.62	44.56	43.90	47.12	53.33	57.50					
2	42.10	44.38	44.90	43.00	51.00	57.50	57.20					
3	45.25	43.25	44.00	44.75	51.90	61.50						
4	45.40	43.50	45.30	45.25	50.00	59.40						
5	43.90		42.75			56.88						
					Los Angeles							
1964	41.77	39.56	39.84	39.93	41.60	47.36	51.60	52.84	50.65	48.69	41.83	42.03
1965	46.70	46.36	46.60	47.13	52.47	59.82						
By week												
1	44.75	44.88	46.50	46.88	48.00	53.50	59.25					
2	43.19	47.25	46.88	46.75	54.00	59.12	60.50					
3	48.75	47.00	46.12	46.88	55.00	63.50						
4	48.25	46.33	46.75	48.00	52.88	62.38						
5	46.62		46.75			60.62						
					Choice lamb, 45-55 lb.							
					New York							
1964	41.38	41.82	44.75	45.68	49.32	50.92	50.55	51.78	49.83	47.08	45.25	44.51
1965	47.34	49.80	51.69	52.75	55.48	56.13						
By week												
1	44.25	49.00	52.25	52.55	55.50	56.75	53.88					
2	46.05	49.00	51.15	52.25	55.50	57.75	53.65					
3	47.15	49.60	50.45	52.75	55.30	56.15						
4	47.75	51.62	51.85	53.45	55.60	55.35						
5	48.40		52.75			54.65						
					Chicago							
1964	40.72	41.12	44.69	45.52	46.80	51.31	49.92	50.38	48.73	46.50	44.21	43.15
1965	46.16	49.56	51.38	52.53	55.33	55.88						
By week												
1	43.50	48.75	52.75	52.75	52.75	57.75	52.75					
2	44.75	48.75	51.25	51.88	54.75	57.50	52.85					
3	45.50	49.75	49.75	52.75	54.75	56.25						
4	46.25	51.00	50.88	52.75	56.50	55.00						
5	48.12		52.25			52.88						
					Los Angeles							
1964	41.38	41.00	41.47	45.33	46.50	47.34	49.23	49.42	50.22	49.44	48.38	47.31
1965	47.75	47.28	47.90	48.00	52.53	55.82						
By week												
1	47.50	47.75	48.00	47.50	52.50	53.83	55.67					
2	47.00	47.00	48.00	51.12	52.50	55.50	55.75					
3	48.00	47.06	48.00	52.50	52.50	56.50						
4	48.00	47.33	48.00	52.50	52.62	57.00						
5	48.00		47.50			56.25						

Wholesale beef and pork prices remained relatively stable through April. As supplies fell substantially from year-earlier levels during May and June, prices advanced sharply. In June, wholesale beef prices at Chicago averaged $45.54 per 100 pounds, up 13 percent from January levels and $8 above year-earlier levels when supplies were abundant. The increase in pork prices was even more substantial. In June, pork loins averaged about $57.72 in Chicago, $12 above year-earlier levels and $14 above the January average price.

Wholesale lamb prices (Choice, 45-55 pounds) increased throughout the first half; in June, they averaged $55.88 at Chicago, about 20 percent above January levels and 9 percent above June 1964. Lamb prices at Los Angeles averaged $1-4 above Chicago prices from September 1964 through January 1965. However, from February to mid-June, West Coast lamb prices averaged $2-5 below Chicago prices as supplies in the West were increased from the early spring lamb crop. However, with slaughter of early lambs nearing completion, West Coast prices likely will average above Chicago levels for the rest of the year.

Wholesale meat prices likely will decline somewhat this fall as meat supplies increase seasonally. However, wholesale prices for all meats, and especially pork, are expected to average well above year-ago levels into 1966.

Retail Meat Prices Up Sharply

Most retail meat prices during the first few months of 1965 averaged only moderately above year-earlier levels. In May (latest month for which data are available) retail beef prices averaged 79.2 cents per pound, 3.2 cents above May 1964. Retail pork cuts and sausage items in May averaged 58.0 cents a pound, 3.4 cents above year-earlier levels. Lamb prices were up 5.9 cents and averaged 77.8 cents per pound.

Retail beef and pork prices likely will show further gains for June and July and average well above the May level. Wholesale beef prices at Chicago have increased 8 percent since late-April, and wholesale pork prices have increased about 28 percent. A large part of these increases likely will be reflected in the reports on June and July retail prices. Although retail beef and pork prices are expected to decline slightly during the fall as supplies increase seasonally, they will likely continue to average well above year-earlier levels.

Lamb prices have increased so far this year, averaging 4-6 cents a pound above year-earlier levels since February. With the continuation of smaller per capita lamb supplies, prices are expected to continue strong during the coming months and average well above year-ago levels.

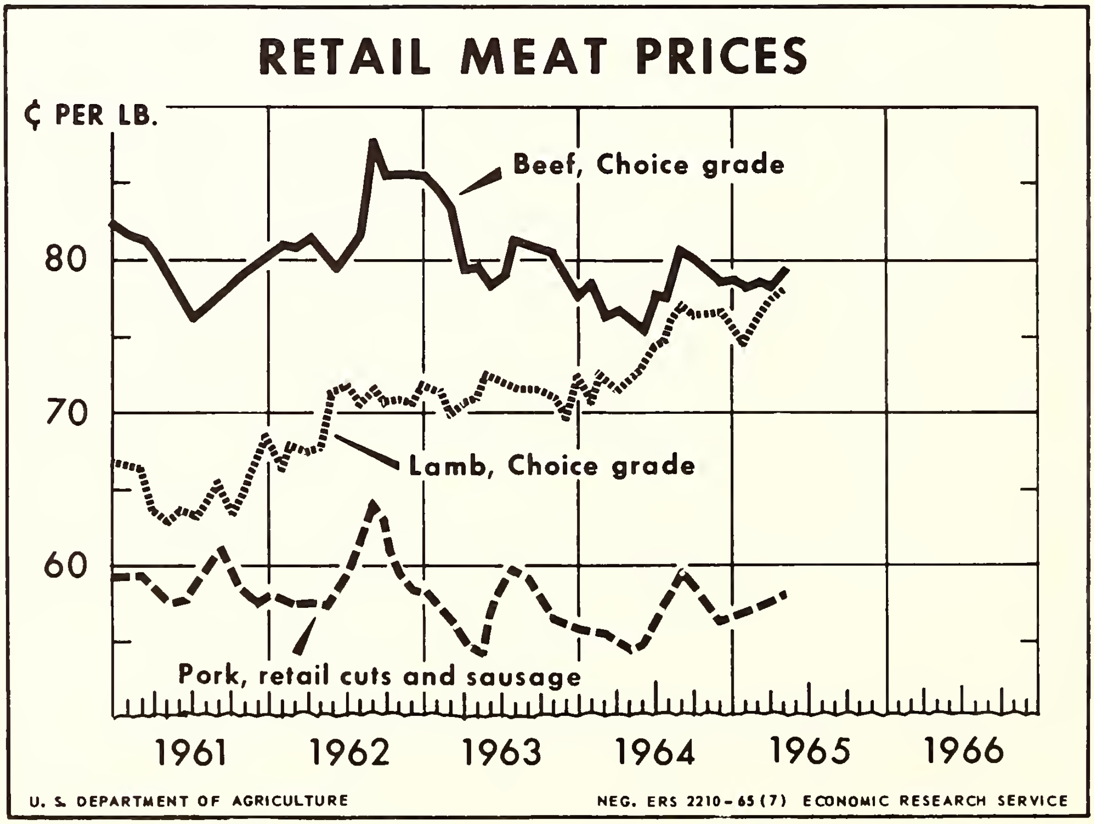
Foreign Trade in Meat

Both imports and exports of meat were off sharply from year-earlier levels during the first 5 months of the year. Through May, imports of red meats totaled 497 million pounds, 22 percent below 1964 levels, while exports totaled 50 million pounds, down 51 percent.

Table 15.--Supply and distribution of meat, United States, 1963-65

Year	Supply: Production	Supply: Beginning stocks	Supply: Imports	Distribution: Exports and shipments	Distribution: Military	Distribution: Ending stocks	Civilian consumption: Total	Civilian consumption: Per Person
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Beef:								
1963	16,425	189	1,651	52	365	281	17,567	94.5
1964	18,424	281	1,180	91	495	315	18,984	100.7
1965 1/	18.5-18.7							100
Pork:								
1963	12,439	230	225	208	237	277	12,172	65.5
1964	12,523	277	233	217	229	284	12,303	65.3
1965 1/	11.2-11.4							59
All meat:								
1963	30,561	446	2,047	263	644	589	31,558	169.8
1964	32,673	590	1,509	315	763	625	33,069	175.4
1965 1/	31.5-31.7							168-169

1/ Partly forecast.



Pork imports during January-May totaled 112 million pounds, 17 percent above the same months a year earlier. The increase in pork imports resulted from smaller domestic supplies and substantially higher prices. However, imports of beef and veal and mutton and goat were all down from year-earlier levels, while lamb imports were about the same.

Imports of meats subject to quota (Public Law 88-482) totaled 216 million pounds through May, 31 percent less than a year earlier. Imports of these meats (fresh, chilled, or frozen cattle meat and fresh, chilled, or frozen meat of goats and sheep, other than lamb) are estimated to total about 675 million pounds for all of 1965. This represents a drop of 65 million pounds below 1964.

Red meat exports during January-May were down substantially, even though beef and veal and lamb and mutton exports were up 28 and 8 percent. The decline resulted from a 71 percent cut in exports of pork. Pork exports likely will continue well below year-earlier levels through the rest of the year, while beef exports may continue near current and year-earlier levels.

1964 Farm Cash Receipts from Meat Animals

Cash receipts from farm marketings of meat animals in 1964 totaled $11,090 billion, 3 percent less than in 1963, but 16 percent above the 1955-59 average. Meat animals receipts last year represented 28.4 percent of the $39.1 billion received by farmers for all products (cash receipts plus Government payments). Receipts from all livestock and livestock products totaled $19.8 billion, or 50.6 percent of the total--a slightly smaller share than in other recent years. Receipts from all crops also accounted for a smaller percentage of the total, declining to 43.8 percent last year from 44.5 percent in 1963. Government payments to farmers, on the other hand, increased from 4.5 percent in 1963 to 5.9 percent in 1964.

Compared with 1963, receipts from cattle and hogs declined last year, while receipts from sheep and lambs, dairy products, and poultry and eggs were up. Receipts from farm marketings of cattle and calves showed the largest decline, down 4 percent from 1963. Receipts from hog marketings were down $25 million, or 0.8 percent; those from sheep and lamb marketings were up $7 million, or 2 percent.

USDA to Buy Frozen Ground Beef

On July 19, plans were announced to buy frozen ground beef for distribution to schools participating in the National School Lunch Program. Funds for the purchase program are provided under the National School Lunch Act.

Offers for frozen ground beef will be accepted only from venders operating under Federal inspection. The vendors must also be operating in compliance with the Humane Slaughter Act of 1958. The product must be prepared from domestically slaughtered and processed animals. Offers are due each Tuesday.

Table 16.--Average retail price of specified meat cuts, per pound, by months, 1962 to date 1/

Year and Item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
Beef												
Porterhouse steak												
1964	121.8	122.7	120.6	121.2	120.2	120.1	124.2	124.9	127.8	127.1	124.4	123.9
1965	126.6	125.5	126.5	126.4	127.9							
Round steak												
1962	105.4	106.1	105.1	106.2	105.5	105.8	105.9	106.5	112.6	111.2	110.9	112.0
1963	110.8	111.0	109.0	104.7	104.7	103.3	104.3	107.0	105.5	107.2	106.4	102.8
1964	103.2	103.3	101.8	102.2	101.7	100.4	103.8	103.8	108.6	107.9	105.3	104.9
1965	104.8	104.3	104.6	104.8	106.3							
Rib roast												
1962	82.9	81.5	82.1	82.1	82.0	82.3	82.6	83.5	88.8	87.0	87.3	87.5
1963	88.4	86.8	84.8	82.2	82.3	81.8	82.4	83.4	83.6	83.4	82.2	83.4
1964	82.5	83.1	81.2	81.0	80.2	80.2	82.2	82.4	86.6	85.1	84.6	84.1
1965	86.2	84.5	85.4	85.5	86.5							
Rump roast												
1964	105.1	105.8	102.5	103.7	103.5	102.0	104.6	103.9	107.5	107.2	105.7	105.4
1965	104.9	104.4	105.2	104.0	105.3							
Chuck roast												
1962	60.4	61.1	61.9	61.9	60.7	59.0	59.5	61.3	66.6	65.0	65.1	65.2
1963	65.2	64.3	63.0	59.2	59.0	56.6	57.2	60.2	60.3	59.4	59.9	59.2
1964	57.2	57.4	56.4	55.9	54.6	53.4	54.6	56.0	59.8	59.7	58.5	57.9
1965	57.6	57.6	56.9	56.6	57.1							
Hamburger												
1962	51.5	51.3	51.5	51.5	51.3	51.4	51.4	51.5	53.9	53.4	53.2	53.4
1963	53.1	52.7	52.0	51.0	50.8	50.5	50.6	50.4	51.6	51.0	51.0	51.2
1964	50.3	49.7	49.0	48.9	48.4	47.9	49.0	49.1	50.6	50.5	50.5	50.3
1965	49.2	48.8	48.8	48.8	49.3							
Veal cutlet												
1962	145.0	147.5	146.8	146.3	147.8	147.5	147.1	148.3	149.8	150.2	150.6	150.4
1963	149.9	151.9	151.7	151.0	150.0	151.2	152.4	151.8	151.8	152.0	152.0	152.1
1964	142.3	143.4	143.6	143.3	142.5	142.2	141.4	141.6	143.0	140.9	140.3	141.3
1965	143.9	145.0	144.6	143.8	145.0							
Pork												
Chops												
1962	87.4	87.9	87.3	86.7	86.5	86.3	90.9	94.3	99.7	91.9	90.4	88.5
1963	89.0	88.1	86.9	81.1	83.1	87.4	90.9	92.7	92.9	90.5	88.3	87.4
1964	85.5	84.9	82.7	83.1	82.7	84.6	91.9	93.8	99.7	93.1	88.4	86.0
1965	88.4	88.7	88.3	87.8	89.5							
Bacon, sliced												
1962	67.7	67.9	67.7	67.8	68.4	68.8	71.8	74.0	75.8	73.6	70.9	69.7
1963	68.9	67.6	65.9	64.3	64.4	65.7	71.4	73.4	72.9	69.9	67.4	67.3
1964	65.1	66.2	65.8	65.8	65.7	65.7	66.4	67.2	69.6	68.5	67.2	67.0
1965	67.0	69.1	70.2	70.5	70.8							
Hams, whole												
1962	62.2	61.8	61.5	62.1	61.1	61.2	61.3	62.4	63.9	62.9	63.3	63.9
1963	63.2	62.4	61.3	60.4	58.2	59.0	60.1	61.0	60.9	60.8	60.7	60.7
1964	61.6	61.3	60.8	60.0	59.6	59.6	60.6	61.4	61.2	61.8	61.0	61.3
1965	60.8	61.0	60.9	61.2	61.4							
Roast, loin												
1962	62.2	62.5	61.9	62.1	61.0	61.1	64.0	66.4	71.4	67.0	65.2	64.1
1963	64.0	63.3	62.6	59.7	59.3	61.7	64.1	64.7	65.0	63.1	62.0	61.0
1964	59.4	59.1	58.1	57.6	57.1	58.2	62.7	64.1	68.6	64.9	62.1	60.3
1965	61.3	61.3	61.3	61.7	62.9							
Lamb chops												
1964	127.5	127.1	128.1	128.4	128.7	131.1	133.7	134.6	137.3	137.0	134.3	134.9
1965	133.7	134.6	134.6	138.1	139.0							

1/ Data beginning January 1, 1964, based on new series of Consumer Price Index.
Compiled from data of the Bureau of Labor Statistics.

Table 17.--Average retail price of meat per pound, United States, by months, 1959 to date 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	Pork, retail cuts and sausage												
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
1959	60.9	58.5	57.3	57.8	58.0	58.3	57.9	56.3	57.0	55.3	53.6	52.0	56.9
1960	51.7	51.7	52.8	54.6	55.9	57.4	58.9	59.6	58.5	58.9	58.5	59.0	56.5
1961	59.3	59.5	59.3	58.9	57.7	57.7	58.9	59.9	60.8	60.3	58.2	57.4	59.0
1962	58.0	57.9	57.2	57.7	57.3	57.8	59.9	61.7	64.3	61.0	59.4	58.9	59.3
1963	58.5	57.6	56.5	54.9	54.7	56.4	58.8	59.9	59.6	57.9	56.5	56.1	57.3
1964	55.8	55.8	55.3	54.9	54.6	54.8	56.7	57.6	59.6	58.3	56.9	56.2	56.4
1965	56.4	56.9	57.2	57.4	58.0								
	Beef, Choice grade												
1959	82.6	83.3	83.2	83.3	83.7	83.3	83.6	82.0	82.1	82.2	82.3	81.9	82.8
1960	81.5	81.0	81.2	82.6	82.1	81.5	80.9	80.8	80.0	79.6	79.7	80.5	81.0
1961	82.1	81.8	81.3	80.6	79.4	77.3	76.3	76.6	77.7	78.1	79.0	79.6	79.2
1962	80.2	80.8	80.8	81.1	80.7	79.8	80.2	81.6	87.2	85.5	85.6	85.8	82.4
1963	85.5	84.9	83.1	79.5	79.6	78.1	78.8	81.3	81.0	80.7	80.4	78.9	81.0
1964	77.8	78.2	76.6	76.6	76.0	75.4	77.3	77.6	80.7	80.1	79.1	78.7	77.8
1965	78.9	78.4	78.6	78.4	79.2								
	Lamb, Choice grade												
1959	69.2	67.1	67.1	70.2	72.0	73.2	72.8	73.7	70.4	66.2	65.9	65.4	69.4
1960	65.7	68.0	69.2	68.0	70.6	72.0	67.7	66.8	68.9	67.6	68.7	68.7	68.5
1961	66.8	66.7	66.1	63.7	62.9	63.8	63.3	63.8	65.1	63.7	64.1	66.9	64.7
1962	68.1	66.5	67.5	67.1	67.4	71.2	71.6	70.9	71.5	70.3	70.8	70.7	69.5
1963	71.8	71.3	69.7	71.3	71.4	72.4	72.2	71.7	71.6	71.2	71.1	69.6	71.3
1964	72.4	70.9	72.4	71.1	71.9	72.9	74.3	75.9	76.9	76.4	76.1	76.4	74.0
1965	75.5	74.6	76.2	77.2	77.8								
	Veal, retail cuts												
1959	80.2	82.8	79.9	82.5	80.1	80.5	78.1	79.6	81.6	77.0	73.6	78.1	79.5
1960	77.2	78.5	78.7	81.4	79.9	81.4	82.1	79.6	78.0	77.4	75.7	74.9	78.7
1961	77.6	79.9	79.4	78.4	79.6	78.7	77.7	79.7	78.9	79.8	79.9	79.1	79.1
1962	80.9	82.9	82.4	80.7	82.5	82.2	82.8	83.6	82.3	82.7	82.2	81.9	82.3
1963	81.8	83.6	83.8	81.4	82.7	83.7	82.8	82.4	83.9	83.8	82.1	83.6	83.0
1964	82.2	82.0	82.4	83.1	82.4	81.6	81.9	81.4	82.2	81.6	80.8	81.2	81.9
1965	82.6	83.8	82.3	82.1	82.8								

1/ Some retail prices differ slightly from those previously published. These prices are estimates of U. S. average retail prices in urban areas and are based on price data collected by the Bureau of Labor Statistics. Part of the difference between prices in this table and those formerly published was caused by a change in the sample of stores from which the BLS collects price quotations. Since July 1964, the BLS has collected prices in 50 urban areas, only 14 of which were in the group of 46 urban areas where prices formerly were collected. The retail price of pork now published is an estimated weighted average of prices of the principal retail cuts and sausage. Formerly, prices of sausage were not included.

Table 18.--Meat subject to U. S. import quota restriction: Product weight of imports by months, average 1959-63, 1964 and 1965

Year	Jan.	Feb.	Mar.	Apr.	May	June	July
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
1959-63 Average	47,342	49,596	57,539	54,254	48,514	58,564	67,110
1964	87,232	44,873	68,877	61,363	51,113	98,152	43,726
1965	28,181	34,499	68,654	32,404	52,329		

Year	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
1959-63 Average	84,131	76,055	61,599	56,106	61,396	722,206
1964	79,453	49,651	46,384	55,726	53,363	739,913
1965						

Table 19.--U. S. meat imports and exports: January-May 1964-65 and percentage comparisons (carcass weight)

Item	1964			1965			Percent change		
	Jan.-Apr.	May	Jan.-May	Jan.-Apr.	May	Jan.-May	Jan.-Apr.	May	Jan.-May
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	Percent	Percent	Percent
Imports									
Beef and veal	419,087	78,533	497,620	271,962	92,705	364,667	-35	+18	-27
Lamb	4,108	781	4,889	2,965	2,069	5,034	-28	+165	+3
Mutton and goat	36,544	5,183	41,727	12,196	3,571	15,767	-67	-31	-62
Pork	76,401	19,290	95,691	91,394	20,233	111,627	+20	+5	+17
Total meat	536,140	103,787	639,927	378,517	118,578	497,095	-29	+14	-22
Exports									
Beef and veal	14,016	6,463	20,524	23,352	2,877	26,229	+67	-55	+28
Lamb and mutton	611	207	818	658	228	886	+8	+10	+8
Pork	67,044	13,910	80,954	19,435	3,703	23,138	-71	-73	-71
Total meat	81,671	20,580	102,251	43,445	6,808	50,253	-47	-67	-51

Table 20.--Cash receipts from farm marketings and Government payments, with percentage distribution, 48 States, averages 1910-59, annual 1960-64

Year	Total cash receipts and Government payments	Livestock and livestock products: Total 1/	Meat animals: Total	Meat animals: Cattle and calves	Meat animals: Hogs	Meat animals: Sheep and lambs	Dairy products	Poultry and eggs 2/	All crops	Government payments
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
Average:										
1910-14	5,929	2,948	1,688	901	678	109	628	479	2,981	0
1915-19	10,576	5,072	3,044	1,540	1,343	161	1,050	754	5,504	0
1920-24	9,801	4,735	2,343	1,120	1,071	152	1,346	912	5,066	0
1925-29	10,923	5,797	2,889	1,382	1,296	211	1,672	1,092	5,126	0
1930-34	6,490	3,593	1,615	811	680	124	1,204	687	2,782	115
1935-39	8,473	4,577	2,197	1,174	856	167	1,409	811	3,417	479
1940-44	15,711	8,658	4,386	2,102	2,013	271	2,290	1,748	6,385	668
1945-49	27,282	14,971	7,983	4,436	3,178	369	3,776	2,954	11,857	454
1950-54	31,299	17,441	9,649	5,771	3,501	377	4,216	3,278	13,595	263
1955-59	32,029	17,559	9,582	6,339	2,909	334	4,498	3,178	13,756	714
1960	34,705	18,909	10,584	7,388	2,869	327	4,740	3,282	15,103	693
1961	36,407	19,391	10,993	7,555	3,136	302	4,905	3,186	15,532	1,484
1962	37,923	20,025	11,651	8,177	3,150	324	4,841	3,230	16,162	1,736
1963	38,939	19,926	11,441	8,091	3,031	319	4,847	3,312	17,327	1,686
1964	39,068	19,764	11,090	7,758	3,006	326	5,008	3,335	17,135	2,169
	Percentage of total									
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Average										
1910-14	100.0	49.7	28.4	15.2	11.4	1.8	10.6	8.1	50.3	0
1915-19	100.0	48.0	28.8	14.6	12.7	1.5	9.9	7.1	52.0	0
1920-24	100.0	48.3	23.9	11.4	10.9	1.6	13.7	9.3	51.7	0
1925-29	100.0	53.1	26.5	12.7	11.9	1.9	15.3	10.0	46.9	0
1930-34	100.0	55.3	24.9	12.5	10.5	1.9	18.5	10.6	42.9	1.8
1935-39	100.0	54.0	25.9	13.8	10.1	2.0	16.6	9.6	40.3	5.7
1940-44	100.0	55.1	27.9	13.4	12.8	1.7	14.6	11.1	40.6	4.3
1945-49	100.0	54.9	29.3	16.3	11.6	1.4	13.8	10.8	43.4	1.7
1950-54	100.0	55.7	30.8	18.4	11.2	1.2	13.5	10.5	43.4	.8
1955-59	100.0	54.8	29.9	19.8	9.1	1.0	14.0	9.9	42.9	2.2
1960	100.0	54.5	30.5	21.3	8.3	.9	13.7	9.5	43.5	2.0
1961	100.0	53.3	30.2	20.8	8.6	.8	13.5	8.8	42.6	4.1
1962	100.0	52.8	30.7	21.6	8.3	.8	12.8	8.5	42.6	4.6
1963	100.0	51.2	29.4	20.8	7.8	.8	12.4	8.5	44.5	4.3
1964	100.0	50.6	28.4	19.9	7.7	.8	12.8	8.5	43.8	5.6

1/ Includes wool, horses, mules, mohair, honey, beeswax, bees, goats, rabbits, and fur animals.

2/ Includes ducks, geese, guineas, pigeons, quail, pheasants and turkey hatching eggs.

Supply and distribution of meat, by months, January 1965 to date

Meat and period	Commercially produced: Supply: Production	Supply: Beginning stocks	Supply: Imports	Distribution: Exports and shipments	Distribution: Ending stocks	Distribution: Military	Distribution: Civilian consumption: Total	Civilian consumption: Per person 1/	Total 2/: Production	Total 2/: Civilian consumption: Total	Total 2/: Civilian consumption: Per person
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.	Mil. lb.	Mil. lb.	Lb.
Beef:											
January	1,536	315	45	6	293	37	1,560	8.2	---	---	---
February	1,365	293	58	8	255	38	1,415	7.4	---	---	---
March	1,568	255	106	13	245	43	1,628	8.6	---	---	---
1st quarter	4,469	315	209	27	245	118	4,603	24.2			3/24.7
April	1,423	245	58	8	222	42	1,454	7.6	---	---	---
May	1,431	222	90		205				---	---	---
June									---	---	---
2nd quarter											
Veal:											
January	79	13	1	4/	13	3	77	0.4	---	---	---
February	69	13	1	4/	13	3	67	.4	---	---	---
March	80	13	2	1	13	4	77	.4	---	---	---
1st quarter	228	13	4	1	13	10	221	1.2			3/ 1.3
April	73	13	1	4/	13	3	71	.4	---	---	---
May	66	13	1		11						
June											
2nd quarter											
Lamb and mutton:											
January	59	13	2	4/	12	4/	62	0.3	---	---	---
February	47	12	2	4/	11	4/	50	.3	---	---	---
March	55	11	7	4/	11	4/	62	.3	---	---	---
1st quarter	161	13	11	4/	11	4/	174	.9			3/ .9
April	55	11	4	4/	11	4/	59	.3	---	---	---
May	50	11	6		11				---	---	---
June									---	---	---
2nd quarter											
Pork:											
January	1,016	284	8	5	308	17	978	5.1	---	---	---
February	871	308	23	9	319	18	856	4.5	---	---	---
March	1,075	319	30	17	335	24	1,048	5.5	---	---	---
1st quarter	2,962	284	61	31	335	59	2,882	15.1			3/15.8
April	972	335	31	12	335	17	974	5.1	---	---	---
May	803	335	20		292				---	---	---
June											
2nd quarter											
All meat:											
January	2,690	625	56	11	626	57	2,677	14.0	---	---	---
February	2,352	626	84	17	598	59	2,388	12.6	---	---	---
March	2,778	598	145	31	604	71	2,815	14.8	---	---	---
1st quarter	7,820	625	285	59	604	187	7,880	41.4			3/42.7
April	2,523	604	94	20	581	62	2,558	13.4	---	---	---
May	2,350	581	117		519				---	---	---
June									---	---	---
2nd quarter											

1/ Derived from estimates by months of population eating out of civilian food supplies.

2/ Includes production and consumption from farm slaughter.

3/ Estimated.

4/ Less than 500,000 pounds.

Selected price statistics for meat animals and meat

Item	Unit	1964 May	1964 June	1965 April	1965 May	1965 June
CATTLE AND CALVES:						
Beef steers, slaughter	Dollars per					
Chicago, Prime	100 pounds	21.70	23.06	28.02	28.86	29.36
Choice	do.	20.52	21.57	25.63	26.88	27.68
Good	do.	19.48	20.25	23.61	25.03	25.72
Standard	do.	17.52	17.52	19.49	21.19	22.69
Utility	do.	15.76	15.74	17.58	18.57	20.33
All grades	do.	20.29	21.37	25.01	26.40	27.44
Omaha, all grades	do.	19.32	20.70	23.45	25.11	26.18
Sioux City, all grades	do.	19.33	20.61	23.46	25.33	26.43
Cows, Chicago						
Commercial	do.	14.37	14.18	14.44	15.05	15.90
Utility	do.	14.53	14.39	14.24	14.96	15.67
Cutter	do.	13.78	13.81	13.36	13.96	14.53
Canner	do.	12.62	12.69	12.21	12.85	13.41
Vealers, Choice, S. St. Paul	do.	27.18	25.15	---	28.48	28.24
Stocker and feeder steers, Kansas City 1/	do.	19.24	18.92	22.04	22.68	23.88
Price received by farmers						
Beef cattle	do.	17.60	17.50	19.30	20.60	21.50
Cows	do.	13.30	12.80	13.30	13.70	14.50
Steers and heifers	do.	18.90	19.10	21.40	22.80	24.00
Calves	do.	21.00	19.90	21.30	21.90	23.20
HOGS:						
Barrows and gilts, U. S. No. 1, 2 & 3, Chicago						
200-220 pounds	do.	15.85	16.84	18.38	21.16	24.21
220-240 pounds	do.	15.58	16.52	18.22	20.98	23.99
240-270 pounds	do.	14.86	15.68	17.78	20.48	23.53
All weights	do.	15.06	16.17	17.96	20.71	23.65
Barrows and gilts, 8 markets 2/	do.	14.84	15.83	17.63	20.29	23.38
Sows, Chicago	do.	12.58	12.84	15.24	17.46	19.98
Price received by farmers	do.	14.30	14.90	16.60	19.70	22.50
Hog-corn price ratio 3/						
Chicago, barrows and gilts		11.8	12.9	13.5	15.3	17.6
Price received by farmers, all hogs		12.3	12.8	13.7	16.0	18.1
SHEEP AND LAMBS:	Dollars per					
Sheep	100 pounds					
Slaughter ewes, Good, Chicago	do.	6.19	5.92	7.00	6.50	6.26
Price received by farmers	do.	5.90	5.77	6.38	6.44	6.75
Lamb						
Slaughter, Choice, Chicago	do.	24.48	24.48	26.00	26.55	26.39
Feeder, Choice, S. St. Paul	do.	---	19.10	---	22.75	20.73
Price received by farmers	do.	20.70	20.90	22.80	23.30	24.30
All meat animals:						
Index number price received by farmers (1910-14=100)		264	264	292	320	345
MEAT:						
Wholesale, Chicago	Dollars per					
Steer beef carcass, Choice, 500-600 pounds	100 pounds	36.22	37.12	41.53	44.03	45.54
Lamb carcass, Choice, 45-55 pounds	do.	46.80	51.31	52.53	55.33	55.88
Composite hog products						
Including lard						
71.90 pounds fresh	Dollars	16.17	16.96	18.70	20.94	23.74
Average per 100 pounds	do.	22.49	23.59	26.01	29.12	33.01
71.01 pounds fresh and cured	do.	20.22	21.36	22.89	24.90	27.50
Average per 100 pounds	do.	28.47	30.08	32.23	35.07	38.72
Excluding lard						
55.99 pounds fresh and cured	do.	18.04	19.16	20.33	22.42	24.99
Average per 100 pounds	do.	32.22	34.22	36.31	40.04	44.63
Retail, United States average	Cents					
Beef, Choice grade	per pound	76.0	75.4	78.4	79.2	
Pork, retail cuts and sausage	do.	54.6	54.8	57.4	58.0	
Lamb, Choice grade	do.	71.9	72.9	77.2	77.8	
Index number meat prices (BLS)						
Wholesale (1957-59=100)		84.8	88.8	91.7	97.5	
Retail (1957-59=100)		97.3	97.2	100.4	101.3	

1/ Average all weights and grades
2/ Chicago, St. Louis N. S. Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis.
3/ Number bushels of corn equivalent in value to 100 pounds of live hogs.

Selected marketing, slaughter and stocks statistics for meat animals and meat

Item	Unit	1964 May	1964 June	1965 April	1965 May	1965 June
Meat animal marketings						
Index number (1957-59=100)		110	110	110	107	
Stocker and feeder shipments to 8 Corn Belt States	1,000					
Cattle and calves	head	322	260	354	367	
Sheep and lambs	do.	215	154	136	116	
Slaughter under Federal inspection						
Number slaughtered						
Cattle	do.	2,070	2,207	2,021	2,043	
Steers	do.	1,327	1,373	1,116	1,134	
Heifers	do.	379	424	455	439	
Cows	do.	341	386	420	439	
Bulls and stags	do.	23	24	30	31	
Calves	do.	321	338	411	340	
Sheep and lambs	do.	986	1,056	989	918	
Hogs	do.	5,476	5,038	5,802	4,719	
Percentage sows	Percent	8	11	7	8	
Average live weight per head						
Cattle	Pounds	1,057	1,042	1,025	1,019	
Calves	do.	216	225	191	207	
Sheep and lambs	do.	99	94	101	99	
Hogs	do.	246	251	239	243	
Average production						
Beef, per head	do.	621	610	591	589	
Veal, per head	do.	121	127	107	115	
Lamb and mutton, per head	do.	49	46	50	50	
Pork, per head	do.	146	148	147	147	
Pork, per 100 pounds live weight	do.	59	59	61	60	
Lard, per head	do.	32	33	28	29	
Lard, per 100 pounds live weight	do.	13	13	12	12	
Total production	Million					
Beef	pounds	1,281	1,342	1,192	1,200	
Veal	do.	39	43	44	39	
Lamb and mutton	do.	48	48	49	45	
Pork	do.	798	744	849	692	
Lard	do.	176	166	159	138	
Commercial slaughter 1/						
Number slaughtered	1,000					
Cattle	head	2,513	2,683	2,475	2,500	
Calves	do.	488	520	598	508	
Sheep and lambs	do.	1,119	1,197	1,110	1,023	
Hogs	do.	6,347	5,924	6,691	5,514	
Total production	Million					
Beef	pounds	1,511	1,589	1,423	1,431	
Veal	do.	66	72	73	66	
Lamb and mutton	do.	55	55	55	50	
Pork	do.	921	868	972	803	
Lard	do.	194	184	178	154	
Cold storage stocks first of month						
Beef	do.	263	272	245	222	207
Veal	do.	13	13	13	13	11
Lamb and mutton	do.	16	16	11	11	11
Pork	do.	474	469	335	335	294
Total meat and meat products 2/	do.	865	866	689	675	613

1/ Federally inspected, and other wholesale and retail.
2/ Includes stocks of canned meats in cooler in addition to the four meats listed.

LIST OF TABLES

The Livestock and Meat Situation is published in January, March, May, July, October, and November.

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LMS-144 Livestock and Meat Situation